GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:7325
ANSWERED ON:13.05.2005
SPECIAL STRUCTURAL ADJUSTMENT FOR MAHARASHTRA
Prabhu Shri Suresh Prabhakar

Will the Minister of FINANCE be pleased to state:

:

(a) whether Union Government has lately projected the Maharashtra Government`s proposal for world bank aid and informed the State Government that the State was not qualified for special structural adjustment loan;

(b) if so, the quantum of loan sought for and the purpose of loan and the grounds on which the request was turned down; and

(c) The State Government`s reaction?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE {SHRI S. S.PALANIMANICKAM) :

(a) and (b) Yes, Sir. Govt. of Maharashtra sought a quantum of US $ 750 million (approx. Rs. 3750 crores) from the World Bank to meet the financial sector reforms. The loan was not recommended as the State is under fiscal stress and its total revenue deficit to revenue receipt ratio has worsened over the last five years.

(c)There has been no further communication from the State Government in this regard.